

S1023/0086
cc: Wayne



United States Department of the Interior
BUREAU OF LAND MANAGEMENT
FILLMORE FIELD OFFICE
95 East 500 North
Fillmore, Utah 84631



In Reply Refer to:
3809 (UTW02000)
UTU-72898-01

June 9, 2011

CERTIFIED MAIL # 7010 1670 0000 7621 5014
RETURN RECEIPT REQUESTED

DECISION

McCFARLAND & HULLINGER :
PO BOX 238 : 43 CFR 3809 - Surface Management Plan
TOOELE, UTAH 84074 : UTU-72898-01
:

Release of Financial Guarantee

Your Plan of Operation (Plan) for Coyote Knoll Mine at T. 12 S., R., 6 W., Section 5 is being transferred to Desert Mountain Gold Inc. This operation is permitted with the Utah Division of Oil, Gas, and Mining (UDOGM) under their Small Mining Operation S/023/086.

Desert Mountain Gold Inc has submitted the transfer and replacement bond. Once the replacement bond has been accepted, your bond in the amount of \$50,000 will be released and the transfer of operator completed.

Amount of Financial Guarantee – The Fillmore Field Office has determined the financial guarantee in the amount of \$50,000 submitted by McFarland & Hullinger will no longer be required once the replacement bond in the amount \$25,100 submitted by Desert Mountain Gold Inc has been accepted.

Appeal of the Decision Determining the Required Financial Guarantee Amount - If you do not agree and are adversely affected by this decision, in accordance with 43 CFR 3809.804, you may request that the BLM Utah State Director review this decision. If you request a State Director review, the request must be received in the BLM Utah State Office, P.O. Box 45155, Salt Lake City, Utah 84145-0155, no later than 30 calendar days after you receive this decision. A copy of the request must also be sent to this office. The request must be in accordance with the provisions provided in 43 CFR 3809.805. If a State Director review is requested, this decision will remain in effect while the State Director review is pending, unless a Stay is granted by the State Director. Standards for obtaining a Stay are given below. If you request a Stay, you have the burden of proof to demonstrate that a Stay should be granted.

If the State Director does not make a decision concerning your request for review of this decision within 21 days of BLM's receipt of the request, you should consider the request declined, and you may appeal this decision to the Interior Board of Land Appeals (IBLA). You may contact the BLM Utah State Office to determine when BLM receives the request for State Director Review. You have 30 days from the end of

RECEIVED
JUN 13 2011
DIV. OF OIL, GAS & MINING

the 21 day period in which to file your notice of appeal with the IBLA (see procedures below). If you wish to bypass a State Director review, this decision may be appealed directly to the IBLA in accordance with the regulations contained in 43 CFR, Part 4 and the enclosed Form 1842-1. If an appeal is taken, your notice of appeal must be filed in the Fillmore Field Office at 95 East 500 North, Fillmore, Utah 84631 within 30 days from receipt of this decision. The appellant has the burden of showing that the decision appealed from is in error.

If you wish to file a petition pursuant to regulation 43 CFR 4.21 for a Stay of the effectiveness of this decision during the time that your appeal is being reviewed by the IBLA, the petition for a Stay must accompany your notice of appeal. A petition for a Stay is required to show sufficient justification based on the standards listed below. Copies of this notice of appeal and petition for a Stay must also be submitted to each party named in the decision, to the IBLA, and to the appropriate Office of the Solicitor (see 43 CFR 4.413) at the same time the original documents are filed with this office. If you request a Stay, you have the burden of proof to demonstrate that a Stay should be granted.

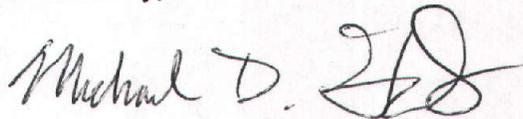
Standards for Obtaining a Stay

Except as otherwise provided by law or other pertinent regulation, a petition for a Stay of a decision pending appeal shall show sufficient justification based on the following standards:

1. The relative harm to the parties if the stay is granted or denied,
2. The likelihood of the appellant's success on the merits,
3. The likelihood of immediate and irreparable harm if the Stay is not granted, and
4. Whether the public interest favors granting the Stay.

If you have any questions, please contact Jerry Mansfield, Fillmore Field Office Geologist, at (435) 743-3125.

Sincerely,



Michael D. Gates
Field Manager

Enclosure: Form 1842-1

cc:

Paul Baker
UDOGM
1594 W North Temple Ste 1210
Salt Lake City, UT 84114

Opie Abeyta (UT-923)
Utah State Office/ BLM
PO Box 45155
Salt Lake City, UT 84145-0155